

Minutes
LBNL Contract Assurance Council Meeting
January 11, 2006

Participants

Council Members:

Bob Foley, Chair
Larry Coleman
Cliff Brunk
John Bireley
Bob Van Ness
Anne Broome
Pat Reed
Judy Boyette
John Layton

Others:

Jim Hirahara
Ron Nelson
David McGraw
John Chernowski
Jeffrey Fernandez
Susan Thomas
Bill Eklund
Susan Thomas

The Agenda for the Council Meeting is attached.

BSO Safety Deficiencies Letter and Follow-up

David McGraw informed the Council of concerns regarding Berkeley Lab ES&H performance (see attached briefing material). The following two letters were summarized by David:

1. A letter from Aundra Richards, DOE Berkeley Site Office Manager, to R. Nelson, dated 12-23-05, pointed out a series of recent incidents that raised concern about the Lab's safety performance, and required an aggressive proposal for improving performance.
2. A letter from Raymond Orbach, Director of the Office of Science, to Regent Parsky expressing concern in very strong words over LBNL's "dreadful" performance, and requesting a plan for LBNL to raise performance to "best in class" levels that DOE has come to expect in the past.

In addition to the summaries provided, the Council requested copies of the two letters. They have been sent to the Council member as requested. Immediate actions taken by LBNL management included continuation of walkthroughs and additional Director communications, including special meetings with LBNL managers, and memos/articles in internal newsletters. During one of the walkthroughs, a Principal Investigator's lab was shut down for one week until it was brought up to standard. Appropriate disciplinary action is being taken. In addition, leadership changes within LBNL have been made, and adequacy of subject matter expertise in the ES&H Division is being addressed. The Council inquired as to why such problems had not been uncovered previously. The Lab was working with UCOP, Lab Management, to convene a Peer Review team to evaluate this question, as well as advise the Director as to whether the LBNL ES&H Program is sound, and where improvements can be made. While the results of the Peer Review are forthcoming, the Laboratory's preliminary investigation found there is some evidence of a less productive relationship between the ES&H Division and scientific divisions, and some "soft spots in the organizational middle", especially regarding the safety responsibilities of Principal Investigators. The Council expressed great interest in the results of the Peer Review and asked that they be shared at a future Council meeting as soon as available.

Contract Assurance Activities

It was reported by John Chernowski that Office of Contract Assurance Staffing was progressing well, with a new recruitment for a financial assurance position nearing completion. The position will work cooperatively with the Lab Chief Financial Officer in the implementation of recent changes to OMB Circular A-123 which align Federal financial control requirements to the Sarbannes/Oxley statute. The Council was informed that the lead for implementing A-123 rests with the CFO, and the Office of Contract Assurance will assume the internal assurance role.

FY06 Performance Measurement Protocols are being developed, and joint quarterly reviews involving DOE, LBNL and UCOP are planned.

A status report summarizing progress on Strategic Management Initiatives and Improvements was provided to Council members. A copy of the Report is attached. There was discussion on Initiative #25, 50% Small Business Subcontract Commitment, being inconsistent with this year's small business goal of 43%. This needed clarification. (Subsequent follow-up determined that the 43% goal is correct. The commitment should reflect DOE's goal, which was 50% at the time of contract award, but revised downward to 43% for FY06.) There was also discussion of Initiative #16. Supply Chain Management. The strategic sourcing initiative may be inconsistent with the University's strategic sourcing objectives and further discussion is required. A "stop-light" status is included in the report, but is still under development as some initiatives do not yet have a status determined. The Council was assured that a "yellow" status is indicated when any single milestone is missed. The Council requested that some form of documentation be evident when milestone changes are made.

Project Management Assurance

Jim Krupnick reported that LBNL achieved Earned Value Management System (EVMS) certification for its performance measurement system used in managing projects.

The B51/Bevatron Decommissioning & Decontamination Project is proceeding aggressively with corrective actions to demonstrate readiness to proceed with the project. A new project manager has been assigned, assistance from LLNL subject matter experts is being obtained, and a Technical Advisory Board will be operational soon.

A DOE review of the Energy Sciences Network (ESnet) is schedule for late February, and preparations are underway within LBNL. A UCOP point of contact on the project was requested, and John Birely is the designee.

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AGENDA

LBLN CONTRACT ASSURANCE COUNCIL

Wednesday, January 11, 2006

9:00 a.m. - 10:00 a.m.

1111 Franklin Street, 10th Floor, Room 10325

Call in Number (866) 740-1260 Code: 9870914

9:00	Introductory Remarks	Bob Van Ness
9:05	BSO Safety Deficiencies Letter and Follow-up	David McGraw
9:25	Contract Assurance Activities <ul style="list-style-type: none">- Office of Contract Assurance Staffing- FY06 Performance Measurement Protocols- Contract Management Initiatives Update	John Chernowski
9:40	Project Management Assurance <ul style="list-style-type: none">- EVMS Certification- Bldg 51/Bevatron D&D Project Status- ESnet DOE Review	Jim Krupnick
9:50	General Discussion	All
9:55	Wrap Up	Bob Van Ness
Council Members:		
VP Foley, Council Chair		AVP Van Ness
SVP Mullinix		AVP Birely
SVP Darling		AVP Boyette
General Counsel Holst		Deputy AVP Koonce
Vice Provost Coleman		
VP Broome		External Members:
Auditor Reed		Karen Clegg
Academic Senate Chair Brunk		John Layton